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Vol. 35 No. 18 November 1, 1982 Page 137

INSIDE

First 340 Rolled Out in Sweden ..... Page 138

NBAA Rejects CVR Proposal ..... Page 139

Record RAA Attendance Expected ... Page 139

Eastern Signs Commuter Pact ..... Page 140

Business Aviation Briefs ..... Page 141

EMERGENCY AD REQUIRES R-22 MODS BEFORE FURTHER FLIGHT

Federal Aviation Administration last Thursday ordered modifications to the main rotor low rpm warning systems on Robinson R-22 helicopters before further flight, but stopped well short of a National Transportation Safety Board recommendation that the FAA suspend the airworthiness certificate of the R-22.

NTSB issued two urgent recommendations to FAA last Wednesday as a result of its investigation of three fatal R-22 accidents that caused four fatalities within the past month. In two of the accidents, on Sept. 25 in Nashville, Tenn. and on Sept. 30 near Paige, Tex., NTSB said its investigation revealed the crash occurred after the main rotor blade hit the tailcone of the helicopter.

In an Oct. 7 accident in Orange County, Calif., the board said "the main rotor mast was severed due to excessive pounding of the teetering main rotor system on its stops." While noting that its investigations are continuing, NTSB said that in all three cases "there is no evidence to indicate that any unusual condition or damage existed before the initiation of the accident sequence. A common factor in these three accidents appears to be the loss of main rotor rpm during flight."

NTSB recommended that FAA suspend the R-22's airworthiness certificate until: the main rotor system stability/stall characteristics and the main rotor rpm decay rates are determined to provide adequate margins of safety and to be compatible with normal pilot reaction times; and, the R-22 main rotor system is determined to be in compliance with the requirements of Part 27.661 of the Federal Aviation Regulations. NTSB also said FAA should conduct a study to verify that adequate engine torque is available to the main rotor system to recover rpm should a rapid decay of rpm occur during flight.

FAA's AD requires operators to raise the actuation setting for the low rpm warning horn and light. If a helicopter is not equipped with a low rpm warning light, one must be installed. An FAA official in the agency's Hawthorne, Calif. field office said the required modifications will take approximately four man hours to complete in a "worst case" situation where the helicopter is not equipped with a low rotor rpm warning light. The warning light has been available as an option and was installed on all aircraft beginning with S/N 251. There are approximately 300 R-22 helicopters in service.

TOP LEAR FAN EXECUTIVES OUSTED IN MANAGEMENT SHAKEUP

The top management team that has run Lear Fan Ltd. for the past several years has been fired by representatives of a group of investors that acquired control of the Reno, Nev. manufacturer several years ago. The company is now owned by Lear Fan Holdings, Inc., a Delaware-based holding company. Chairman and chief executive of both firms is Robert Burch, an independent oil operator and banker who headed a group of investors that acquired control by putting up some $80 million in financing necessary to complete certification of the Lear Fan 2100 aircraft and put it into production.

The company had been run by a four-man executive committee since former Lear Fan managing director and chief executive officer Linden Blue left in April to become president of Beech Aircraft Corp. *(BA, April 26/129).* Clarence Thiesen, a director and member of that committee, resigned several months ago. The other members, Ray Whitfield, a director, Sam Auld, director of administration and vice chairman of the board, and William Surbey, director of operations, were all asked to resign from their respective posi-

(Continued on the following page)

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141 A

AIRPORT AND AIRWAY TRUST FUND
Status as of August 31

		Current Month	Fiscal Year to Date
I.	BALANCE - BEGINNING OF PERIOD	$4,334,527,882.57	$4,718,831,357.71
II.	RECEIPTS:		
A.	Excise Taxes (Transferred from General Fund):		
	1. Any liquid fuel other than gasoline	-0-	-0-
	2. Tires used on aircraft	-0-	-0-
	3. Tubes used on aircraft	-0-	-0-
	4. Gasoline:		
	a. Commercial 4 cents tax	-0-	-0-
	b. Non-commercial 4 cents tax	-0-	-0-
	c. Non-commercial 3 cents tax	-0-	-0-
	5. Transportation by air, seats, berths, etc.	-0-	-0-
	6. Use of international travel facilities	-0-	-0-
	7. Transportation of property and cargo	-0-	-0-
	8. Use of civil aircraft	-0-	-0-
	Total Tax Receipts	-0-	-0-
B.	Less Reimbursement to General Fund-Refund of Taxes and Estimated Tax Credits:		
	1. Commercial aviation gasoline	-0-	-0-
	2. Non-commercial gasoline	-0-	-0-
	3. Civil aircraft	44,548.00	809,640.00
	4. Any liquid fuel other than gasoline	33.00	193,766.00
	5. Gasoline - Retailer's tax	93.00	3,627.00
	6. Airline Ticket Refund	663.00	663.00
	7. Gasoline - Manufacturers Tax	-0-	705.00
	Total Reimbursement for Tax Refunds	45,337.00	1,008,401.00
	Net Tax Receipts	(45,337.00)	(1,008,401.00)
C.	Federal Payments	-0-	-0-
D.	Transfers from the General Fund	-0-	-0-
E.	Interest on Investments	6,161,024.23	537,115,458.10
	Net Receipts	6,115,687.23	536,107,057.10
III.	EXPENDITURES:		
A.	Federal Aviation Administration:		
	1. Operations	249,999,343.45	602,642,253.02
	2. Grants-in-Aid for Airports	39,100,201.77	293,044,722.00
	3. Facilities and Equipment	25,331,193.42	272,089,765.85
	4. Research, Engineering and Development	6,687,116.82	67,578,360.60
B.	Aviation Advisory Commission-Salaries & Expenses	-0-	-0-
C.	Interest on Refunds of Taxes	5,919.00	63,518.00
	Total Expenditures	321,123,774.46	1,235,418,619.47
IV.	BALANCE-END OF PERIOD	4,019,519,795.34	4,019,519,795.34

STATEMENT OF FINANCIAL CONDITION

ASSETS:		
Undisbursed Balances:		
Airport and Airway Trust Fund (20X8103)	$ 611.83	
Operations	7,746.98	
Grants-in-Aid for Airports	1,155,414.71	
Facilities and Equipment	10,426,403.24	
Research, Engineering and Development	1,919,618.58	
Aviation Advisory Commission-Salaries and Expenses	-0-	$ 13,499,795.34
INVESTMENTS:		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
12-3/8% maturing June 30, 1983	4,003,510,000.00	
12-7/8% maturing June 30, 1983	2,500,000.00	4,006,010,000.00
Total Assets		4,019,519,795.34
LIABILITIES:		-0-
EQUITY:		
Excess Assets over Liabilities		$4,019,519,795.34
Total Liabilities and Equity		4,019,519,795.34

Bureau of Government Financial Operations
Division of Financial Management
Trust & Revolving Funds Branch
Date:

Department of Treasury Chart